

Energy - Docket Optical System

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To: Energy - Docket Optical System; public.advisor@cpuc.ca.gov
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Subject: A1105023 – Support the Proposed Decision

Categories: Ready to Docket

California Energy Commission

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California Energy Commission Dockets Unit,
MS-4 Docket No. 11-AFC-03
1516 Ninth Street Sacramento, CA 95814-5512

I support Administrative Law Judge Yacknin and Commissioner Ferron's decisions on SDG&E application A110-5023. Our region has the power it needs without building more fossil fuel plants, especially a power plant at Mission Trails Regional Park.

The proposed Quail Brush Power plant is next to one of the last wild areas in San Diego, a well-loved park visited by many San Diegans wishing to get out in nature. Not only will the power plant spoil the view, but the emissions will seriously injure or kill the native flora.

CEC should deny approval for the proposed Quail Brush plant that will allow SDG&E to raise rates using inefficient polluting technology for unneeded power. SDG&E and Cogentrix state this plant is needed to supplant power gaps in local capacity on hot days quickly to ramp up and "fill in the power gaps". This power plant and its resulting 200 tons of yearly air pollution is not needed.

Here are the facts:

- SDG&E's peak load growth has been static for seven years, from 4,601 in 2006 to 4,643 MW in 2010 to 4,619 MW in 2012. In other years the peak load has been well below 4,600 MW. Claims by SDG&E and Cogentrix that peak load is rising are incorrect.
- SDG&E has ample power generation reserves without San Onofre. SDG&E is required to maintain some 15 to 17% reserve generation to assure grid reliability at peak demand. SDG&E had reserves of about 24% during the hottest hour of the year, Sept.14, 2012.
- San Diego County has a rooftop and parking lot solar potential of approximately 7,000 MW, far more than the peak load in SDG&E territory. To date only about 2 percent, 140 MW, of this capacity is being utilized. Local rooftop and parking lot solar is obvious and fully renewable source alternative to a new peaking power generation.
- Local solar resource is 98% available during the top 100 hours of demand. The California Energy Commission (CEC) projects Quail Brush will achieve 94 to 98% availability.
- The CEC has already approved an addition of 850 MW of new gas-fired power plants for San Diego County in 2012, 550 MW Carlsbad Energy Center (June 2012) and 300 MW Pio Pico (September 2012). These plants would easily fill any power gap needed in the future.
- The CEC rejected a gas-fired peaker plant planned for Chula Vista in 2009, the 100 MW Chula Vista Energy Upgrade Project, justified as necessary for peaking and fast ramp duty (just as Quail Brush is), for violating local ordinances. The CEC also stated that rooftop solar is a viable alternative at comparable cost to the peaker plant (pp. 29-30): <http://www.energy.ca.gov/2009publications/CEC-800-2009-001/CEC-800-2009-001-CMF.PDF/>

The CEC rejected in 2008 the Eastshore peaker plant in the Bay Area, that was to use the same engines proposed for Quail Brush, for non-compliance w/local

ordinances: <http://www.energy.ca.gov/2008publications/CEC-800-2008-004/CEC-800-2008-004-CMF.PDF>

- SDG&E is attempting to force the retirement of fully functional local power plants owned to create a need for the new peaking units. These plants include NRG's 964 MW Encina Power Plant (Carlsbad), and nearly 200 MW of existing NRG peaker gas turbines. Encina can retrofit cooling towers to meet requirements at 1/10th the cost of a new peaker plant.
- Peaking power plants do not create anywhere near the permanent job growth of rooftop and parking lot solar. Cogentrix says Quail Brush will create 11 permanent jobs. The state of California estimates about 150 permanent jobs are created for each 100 MW of local solar added (Air Resources Board, June 2010).
- Peaking power plants are not a deal for SDG&E ratepayers. The initial capital cost of Quail Brush will be \$150 million—but the amortized cost over 20 years, in current dollars, will be ~\$600 million according to the CEC. SDG&E would sell natural gas to Cogentrix to produce electricity; Cogentrix would then sell the generated power to SDG&E at a higher price, who will in turn further inflate the price to San Diego rate payers and other power grid companies. SDG&E stands to make a substantial profit at both ends of the power supply chain at the expense of ratepayers and San Diego citizen's health and safety.

Thank you for your time,

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